

Customs Tariff

some promise of real activity in this country, and which provides a real market for Canadian manufacturers on the domestic scene. All we are doing is hitting it on the head. One of these days the members on the Treasury benches are going to wake up and see where their bungling stupidity has taken them in so far as their energy policy is concerned.

There is something about which I want to talk a great deal more in committee, and that is that we adhere as much as possible to the timetable laid down in this agreement. There is no virtue in taking unilateral speedier action than that which our neighbours are going to take.

Of course, by the very nature of the events, one has to re-examine the agreement now, and we are doing it in a legislative way. It has been in the works for two or three years ever since Great Britain and Ireland joined the Common Market, and we know just how tough a situation we may face getting into the Common Market because no longer do they trade with us on the basis of the British preferential tariff but they have to deal with us on their own terms. The Common Market does very well inside those high tariff walls maintained by that group of nations. When we consider the amount of trade we have with certain of the members, we find that it is rather restricted. We can export certain raw materials to them, but not that many.

We cannot put wheat into the Common Market to any extent because the French have always been very progressive producers of wheat on the export market, so it goes to the bigger European market within the tariff walls. When it comes to our better skills in the production of food and in the production of grains, meat, dairy products, those are well known. The Common Market was created for the preservation and expansion of the French agricultural market. It is a market for French agricultural products, and the French will tell you that quite candidly. They have been highly successful, except for the fact that there has been an artificial stimulation in the production of certain goods. We have seen wars going on in France between the producers and the French government where vegetables are dumped on the sides of roads, milk is spilled into the ditches on the sides of country roads, and other action is taken by the very militant farmers who find themselves in a cost squeeze. They have been on to a good thing, but they went too far.

There is the matter of production in other countries in the Common Market. Britain and Germany are quite efficient agricultural producers in their own specialties. One of the worst things we have seen happening in the Common Market is the campaign by the continental members of that trading block against New Zealand lamb and also the availability of English mutton and lamb. I can see quite well why the British farmers and the government are quite concerned about the actions of their trading partners in that particular field. Ireland has a small market, but they are now in the Common Market.

With regard to South Africa, a political decision was taken, and that country is no longer a member of the Commonwealth. This is another action by this government which is, I think, a

highly hypocritical attitude toward South Africa. I have always taken the attitude that while we may not like apartheid, we should not point the finger at South Africa until we have cleaned up our own act and reconsidered our treatment of our own native people. To my mind, our conduct toward our native peoples is as insidious and as effective, but all the more hypocritical and, therefore, more to be criticized than that of the South Africans. The South Africans have done a great deal for their native peoples. Remember that you cannot accomplish these miracles of bringing people forward from their original way of life to the level which so-called liberals in North America would like to see, in one day. I think that the attitude which the United States and Canada have maintained to middle and South Africa has been a disaster because all we have done is to open the field to the Soviet Union, and they have certainly capitalized on it.

I am straying some distance away from the subject, but here is part and parcel of the application of what you might call the anti-apartheid attitude demonstrated by taking South Africa out of the British preferential tariff and putting that country into the most favoured nation and the general tariff classification. In my view this should never have been done, and I will speak about it a lot more before the committee.

I suppose there is the matter of administrative convenience and there might be some logic in it—we might get an explanation of it—in the transfer of authority for collecting excise tax on imported wines from the Customs Tariff to the Excise Tax Act. Apparently it is to do something which is in conformity with taxing Canadian wines; we will see.

● (1430)

I think we tax both Canadian and foreign wines far too much. We should not impose higher duties, without the consent of legislatures, on foreign and Canadian wines through the arbitrary actions of provincial liquor control boards which engage in one of the most blatant forms of interprovincial tariff protection of Canadian-produced and foreign wines. It is a totally illogical position, but governments do not care how they get there as long as they get there.

In fact provincial attorneys general have always reacted in the same manner regarding the taxation of wine and alcohol—it is a ready source of revenue. People with puritanical ideas seem to think it is all right to tax those products, but they do not realize that in this practice they give carte blanche to attorneys general at the request of provincial treasurers who say, "I need a few more million dollars. How about upping the price of alcohol by 50 cents? You can always justify it by higher costs." I think a public deception is being perpetrated.

I have friends in various liquor control boards and they indicate that there is no justification for raising the prices except the desire for more revenue. It seems that governments believe the end justifies any means; I suppose it is the order of the day.

In conclusion, I should like to indicate that the Canadian Association of University Teachers has made some strong representations against the negative effects of Tariff Board